

The meeting was called to order at 7:00 p.m. by Mayor Bill Seuell. Also present were Councilmembers Mary Cooper, Robert Jurca, and Jim Berger, along with City Manager Lanny Sloan and City Attorney Mike Schottelkotte. Councilmember Kay Carlquist was absent. A meeting notice was posted in the south window at City Hall at least twenty-four hours prior to the meeting.

Pledge of Allegiance

The Mayor led those present in the pledge of allegiance.

Changes to the Agenda

There were none.

Minutes

It was moved by Councilmember Berger and seconded by Councilmember Jurca to approve the minutes of the previous meeting as submitted by the Clerk. All in favor, motion carried.

Citizen Comments

Dona Lee Cockroft, Lana Kevan, Bob Nicholson, and Lowell Golden – members of the Park Ridge Subdivision Homeowners Association and/or residents of the subdivision – addressed Council concerning the subdivision developer's failure to address drainage issues and complete promised landscaping in the Park Ridge Subdivision.

Jean Lemon noted that 2007 is Delta's 125th anniversary, the City having been incorporated in 1882. She added that both Montrose and Grand Junction are celebrating the 125th anniversary of their founding. Since no celebration is planned in Delta for 2007, she suggested that Delta celebrate "125 + 1" in 2008.

Financial Report

Finance Director Tod DeZeeuw explained that \$215,975 is the amount which would need to be returned to the citizens under the TABOR amendment unless a ballot issue is approved in November. Mr. DeZeeuw then presented the financial report for the period ending May 31, 2007. Frank Tranchina asked Council not to place a TABOR issue on the ballot in November.

Public Hearing: Special Events Liquor Permit Application; Delta Area Chamber of Commerce – Deltarado Days Beer Garden

Mayor Seuell recessed the regular meeting and opened a public hearing on the special events liquor permit application submitted by the Delta Area Chamber of Commerce for the Deltarado Days Beer Garden.

The Clerk reported that the application is complete and the fees have been paid. The area has been posted for ten days as required by law. No objections have been received to approving the application.

The Mayor called for public comments. When there was none, he closed the public hearing and reconvened the regular meeting.

It was moved by Councilmember Jurca and seconded by Councilmember Cooper to approve the Delta Area Chamber of Commerce's application for a special events liquor permit for July 21, 2007. All in favor, motion carried.

2006 Audit Report

Kelly Scates of Donald R. Moreland & Associates presented the 2006 audit report, explained the mechanism by which the "TABOR refund" amount is determined, and answered questions from Council.

Contract to Purchase Alice Grant Property

City Attorney Schottelkotte reminded Council that they had authorized Assistant City Manager Steve Glammeyer to negotiate a contract for the City's purchase of residential property at 115

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Contract to Purchase Grant Property (Cont.)

Columbia Street owned by Alice Grant. The authorized price was not to exceed the appraised value of the property, \$97,000. The contract was to be contingent upon approval by City Council and is now being submitted for such approval.

It was moved by Councilmember Berger and seconded by Councilmember Cooper to approve the contract dated June 1, 2007 for the City's purchase of property owned by Alice L. Grant at 115 Columbia Street for \$97,000. All in favor, motion carried.

Liquor License Renewals: Devil's Thumb Golf Club Hotel/Restaurant License; Critters Sports Bar and Grill Tavern License

The Clerk reported that both renewal applications were complete and that the required fees had been paid. The Police Department reported no problems with either licensee during the previous twelve months and recommended approval of both renewals.

It was moved by Councilmember Jurca and seconded by Councilmember Cooper to approve the hotel/restaurant liquor license renewal for Devil's Thumb Golf Course and the tavern license renewal for Critters Sports Bar and Grill. All in favor, motion carried.

Resolution #9, 2007; Setting Liquor License Application Fees

Resolution #9, 2007

A RESOLUTION OF THE CITY OF DELTA SETTING LIQUOR LICENSE APPLICATION FEES

was read by the Clerk.

Councilmember Berger mentioned that this item is being brought to Council in response to a question he raised at the June 5th meeting. The fees recommended by staff were as follows:

- New License Application - \$175 [increased from \$100 – actual cost slightly over \$150]
- Transfer of Ownership Application - \$125 [increased from \$75 – actual cost slightly over \$115]
- Transfer of Location Application - \$100 [increased from \$75 – actual cost around \$76]
- Renewal Application - \$75 [increased from \$50 – actual cost around \$52]
- No increase was recommended for Special Events Permit Applications, currently \$10 for 3.2% beer permits, and \$25 for malt, vinous and spirituous liquor permits.

Mr. Berger was concerned that the recommended fees are somewhat higher than the City's current cost for processing the applications. He also thought that it would be appropriate to increase fees for Special Events Permit Applications.

In discussing the proposed fees, Council agreed that if the application fees are somewhat higher than current costs, it would not be necessary to review costs and fees on an annual basis. They also agreed that an increase in the Special Events Permit Application fees would be appropriate.

It was moved by Councilmember Berger and seconded by Councilmember Cooper to amend Resolution #9, 2007 to include application fees for Special Events Permit applications in the amount of \$20 for 3.5% beer permits and \$35 for malt, vinous and spirituous liquor permits. All in favor, motion carried.

It was moved by Councilmember Cooper and seconded by Councilmember Jurca to adopt Resolution #9, 2007, as amended. Roll call vote: Councilmembers Cooper, aye; Jurca, aye; Berger, aye; and Seuell, aye. Motion carried.

Ballot Measures for November 6, 2007 Election

City Manager Sloan explained TABOR funding limits will require the City to refund monies collected through fees and fines (the \$215,975 mentioned by the Finance Director earlier in the meeting) to residents this year. In the past, this has been accomplished through a credit on utility bills. This must be done even though costs of providing services continue to increase and some services may need to be discontinued because of lack of funds.

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Ballot Measures (Cont.)

It has been suggested that a question be placed on the November ballot requesting the citizens to “De-Bruce.” It is suggested that the question should be specific concerning what the funds will be used for, and that the release from the funding limit be set to “sunset” in five years. One suggestion for the use of the funds freed by the “De-Brucing,” should the ballot measure pass, is to provide a School Resource Office to the school district.

Council discussed the possible uses of the funds, including the possibility of ear-marking some of the monies for the Meth Task Force or for additional Police equipment.

Mr. Sloan went on to explain that currently, there is in place a ¾-cent sales tax, originally approved by Delta voters, which is used in part to fund the Recreation Center. This ¾-cent tax will expire in 2011. Staff recommends placing a second question on the ballot, extending that tax for an additional five years, to be used exclusively for recreation in Delta.

Finally, the election will be a Coordinated Election held by Delta County. Council will need to authorize the City to participate in the Coordinated Election.

The City Manager stated that if approved by Council, a resolution will be prepared containing appropriate ballot language and brought to Council for action.

City Attorney Schottelkotte noted he would to meet with Council in an Attorney/Client Executive Session later in the meeting to give them legal advise concerning restrictions on campaigning in the upcoming election imposed by the Fair Campaign Practices Act.

It was moved by Councilmember Cooper and seconded by Councilmember Berger that staff proceed with the process of placing the question of “De-Brucing” City funds and fees, and an extension of the ¾-cent sales tax for recreation purposes on the November ballot, and to authorize the City to participate with Delta County in the Coordinated Election. All in favor, motion carried.

Discussion of Golf Course Loan Pay-Down

Manager Sloan noted that the City has the proceeds from the sale of the Lower White Ranch, which are currently drawing interest in a savings account. There was some feeling that it might be more beneficial to leave the funds in the bank where they would draw interest rather than paying down the loan on the golf course. After checking on the situation, the Finance Director has reported that it would be possible to make a payment on the loan, which would not affect the interest rate or the loan payment, but would lower the balloon payment.

In addition, the City is due to close on the sale of the property surrounding the golf course in the near future. This money is also ear-marked for payment on the golf course loan. The question is whether two payments should be made – one now and the second when the proceeds from the land sale are received – or whether the City should wait and make one combined payment at the time the proceeds from the land sale are received.

It was moved by Councilmember Berger and seconded by Councilmember Cooper to make two payments on the golf course loan – one now with the proceeds from the sale of the White Ranch which are currently in a savings account, and the other with the proceeds from the sale of the land surrounding the golf course at the time they are received. All in favor, motion carried.

City Attorney Comments

City Attorney Schottelkotte stated that he would be absent from both regular Council meetings in July.

Mr. Schottelkotte reminded Council that he had requested an Executive Session to discuss Attorney/Client matters related to legal issues surrounding the Fair Campaign Practices Act.

City Manager Comments

The City Manager announced that the first public meeting concerning the update of the comprehensive plan would be held at 7:00 p.m. on July 16, 2007 at the rec center.

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City Manager Comments (Cont.)

Assistant City Manager Steve Glammeyer reported that there will be a ribbon cutting ceremony at 1:00 p.m. on July 3, 2007 at the Graff Road rail crossing to mark the completion of the rail corridor mitigation project between Paonia and Delta.

Mr. Glammeyer added that there will be a public meeting concerning the regional wastewater treatment plant feasibility study at 7:00 p.m. on July 9, 2007 at the rec center.

Manager Sloan noted that Councilmember Carlquist has indicated an interest in representing the City of Delta on the Delta Housing Authority Board. He added that the appointment of the DHA representative will be on the Agenda for July 3.

Councilmember Comments

In answer to a question from Councilmember Cooper, Assistant Manager Glammeyer explained that the old rail crossings (where the tracks have been removed) will all be paved beginning June 20th.

Councilmember Berger wondered if staff had yet addressed the use by a local business of the patio area behind the Visitors' Center. Manager Sloan reported that the fountain will be removed later this summer, and that staff is working on developing a lease with the business which has historically used the patio. The issue of liability insurance will be addressed in conjunction with the lease.

Executive Session

It was moved by Councilmember Berger and seconded by Councilmember Cooper to convene an Executive Session for the following reasons: 1) discussion of the purchase, acquisition, transfer, or sale of real, personal or other property interest under CRS Section 24-6-402(4)(a); or more specifically, the proposed purchase of two lots on 11th Street Hill, and the proposed trade of City-owned property on Silver Street for property near the airport; 2) for a conference with the City Attorney for the purpose of receiving legal advice on specific legal questions under CRS Section 24-6-402(4)(b), or more specifically, to discuss legal matters related to the Fair Campaign Practices Act; and 3) for discussion of a personnel matter under CRS Section 24-6-402(4)(f) and not involving any specific employees who have requested discussion of the matter in open session; any member of City Council or any elected official; the appointment of any person to fill an office of City Council or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees, or more specifically, to conduct a performance evaluation of the City Manager. All in favor, motion carried.

At 8:25 p.m., the regular meeting was recessed. The Executive Session was convened a short time later.

At 8:54 p.m., the Mayor reconvened the Regular Meeting and announced that the Executive Session had been concluded. He stated that in addition to himself, the participants in the Executive Session were Councilmembers Mary Cooper, Robert Jurca, and Jim Berger, as well as City Manager Lanny Sloan, Assistant City Manager Steve Glammeyer, and Utilities Director Fay Mathews, for the first two items specified in the motion. For the City Manager's evaluation, only Councilmembers Cooper, Jurca, Berger, himself, and Manager Sloan were present. For the record, the Mayor asked any person participating in the Executive Session who believed that any substantial discussion of any matters not included in the motion to go into Executive Session occurred during the Executive Session in violation of the Open Meetings Law, to state his or her concerns for the record. No concerns were stated.

The regular meeting was immediately adjourned.

Mary Lynn Williams, CMC, City Clerk